

Issue Brief – Universal Telecom Support Fund

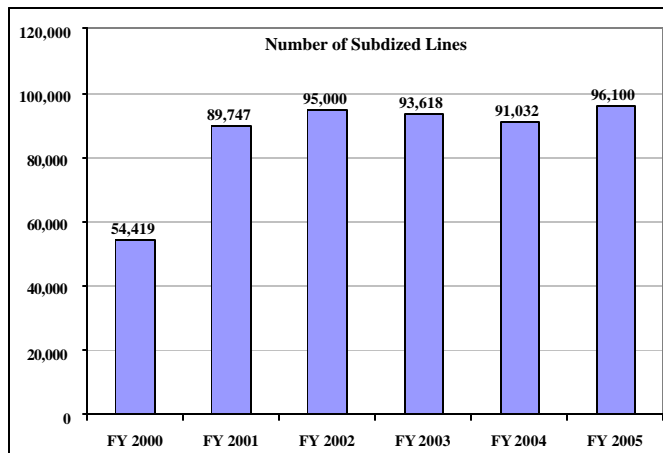
PSC 01

LEGISLATIVE ACTION

This is a For Your Information issue brief. It will inform you about a recent fee increase that does not require your approval.

UNIVERSAL TELECOMMUNICATION SERVICE SUPPORT FUND

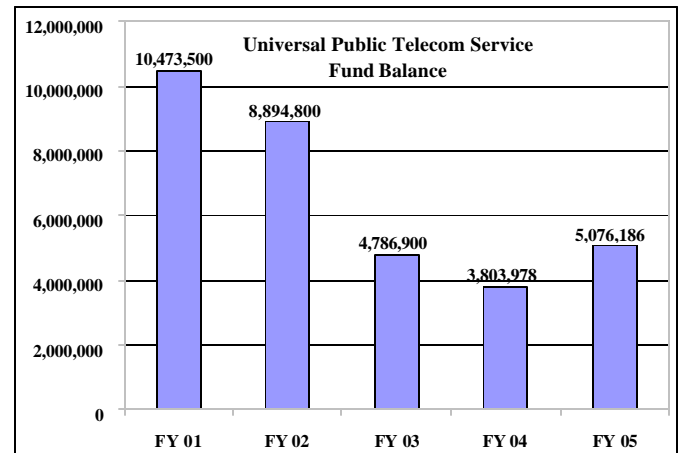
This program is designed to insure that all Utahns have access to affordable telephone service. This program subsidizes what would be high cost telephone service. Its revenues come from a surcharge on retail telephone bills. Currently, funds are used to reduce local monthly subscriber and state network interconnection charges for 13 local exchange telephone carriers servicing rural communities



INCREASE IN FEES

In January, 2004, the surcharge rate was changed from .34 percent to .9 percent on intra-state retail revenue.

FUND BALANCES



RURAL SERVICE RATES

According to servicing companies data and statistics obtained by the Federal Communications Commission, the telephone subscribership in rural Utah remains nearly equal to Wasatch Front rate.